

NATIONAL DAIRY MARKET AT A GLANCE

At the Chicago Mercantile Exchange (CME), all grades of butter are unchanged: Grade AA is \$1.4000, Grade A is \$1.3000, and Grade B is \$1.3000. Also at the CME, barrel cheese increased 1/2 cent to \$1.4275 and 40# blocks are unchanged at \$1.4300.

According to NASS, milk production in the 20 major states during January totaled 11.4 billion lbs., 2.0% above production in these same states in January 1997. December revised production, at 11.1 billion lbs., was 1.0% above December 1996. Production per cow averaged 1,473 lbs. for January, 40 lbs. (2.8%) above January 1997. The number of cows on farms was 7.73 million head, down 58,000 head (0.7%) from January 1997 and down 3,000 from December 1997.

According to NASS, revised 1997 U.S. milk production totals 156.6 billion lbs., up 2.3 billion lbs. (1.5%) from 1996. There was an average of 9,258,000 cows in the country, down 103,000 head (1.1%) from a year earlier. The average output per cow climbed 437 lbs. (2.7%) from 1996 to 16,916 lbs.

During December, sales of fluid milk products in comparable Federal milk order marketing areas and California were 1.2% above last December and 1.1% below November 1997 on an adjusted daily average basis. Sales of whole milk items were 0.5% below the previous year; sales of lowfat and skim milk items were 2.4% above last December. Total fluid milk sales were lower in the Southwest, higher in all other regions. On a cumulative year basis, whole milk sales totaled 17.4 billion lbs., down 0.9%, lowfat and skim products total 34.5 billion lbs., up 0.6%, and total fluid sales 49.8 billion lbs., an increase of 0.1%.

During January, about 9.3 billion lbs. of milk were marketed under Federal orders. (Since significant volumes of milk that normally would have been pooled under Federal milk orders were not pooled in January 1998 and 1997, the following comparisons involving producer deliveries have been estimated.) For comparable markets, producer deliveries were about 1.7% less than January 1997, and about 2.7% more than December 1997 on a daily average basis. Milk

utilized in Class I products in January was 3.4% less than last year on an adjusted basis. Class I use this year represented 39% of producer milk deliveries compared to 40% in January 1997. The average blend price was \$14.15, \$1.28 more than last year. Changes in class prices from year-earlier levels were: Class I, up \$1.35; Class II, up \$1.35; Class III, up \$1.31; and Class III-A, up \$0.55.

Recent powder market trends continue. The NDM market and prices are steady. Fully adequate offerings are available. DEIP and CCC sales are helping to balance supplies with commercial demand that centers on short term needs. Some extra powder is being utilized in cheese vats. The whey market and prices are about steady. Drying remains active and some exporting is occurring. The buttermilk market is steady to firm. Demand is good though offerings are limited.

Recent wet weather is having minimal impact on milk production in parts of the Southeast and West. Feedlots are muddy, though major herd health problems have yet to occur. Milk receipts are generally increasing through most of the country. Class I demand was often lighter as many schools closed for one or more days for holiday/vacation. Manufacturing schedules remain active.

During the holiday abbreviated week of February 16 - 20, CCC had net purchases of 2,098,749 lbs. of Western NDM under the price support program.

****SPECIAL THIS ISSUE****

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BUTTER MARKETS**CHICAGO WHOLESALE**

Dollars per pound, trucklot, bulk in fiber boxes, delivered metropolitan area, prices include CCC purchase price whenever bulk butter is moving to CCC from the Midwest area.

GRADE	FEBRUARY 17	FEBRUARY 19	FEBRUARY 20
AA	\$1.4000 - 1.4100 : (-.0100)	\$1.4000 - 1.4100 : (-.0100)	\$1.4000 - 1.4100 : (-.0100)
A	\$1.3000 - 1.3100 : (-.0250)	\$1.3000 - 1.3100 : (-.0250)	\$1.3000 - 1.3100 : (-.0250)

() Change from previous price.

BUTTER HIGHLIGHTS: In cash trading at the Chicago Mercantile Exchange, all grades of bulk butter are unchanged. As evidenced by today's (2/20) trading at the CME, the market tone is steady to weaker. Churning activity is still quite heavy, but producers are often more selective with regard to price and quality in their cream purchases. Buying interest is slowing and offerings are increasing in more areas. Stock accumulations are a concern at some levels of the market.

CHEESE MARKETS**WISCONSIN ASSEMBLY POINTS**

Dollars per pound, standard moisture basis (37.8-39.0%), carlot/trucklot, F.O.B. plants or storage centers, prices include CCC purchase price whenever cheese is moving to CCC from the Midwest area.

CHEDDAR STYLES	FEBRUARY 16 - 20, 1998
BARRELS*	\$1.4225 - 1.4475 (NOMINAL)
40# BLOCKS	\$1.4300 - 1.4600 (NOMINAL)

() Change from previous week. * If steel, barrel returned.

CHEESE HIGHLIGHTS: The cheese market is mostly steady. At the Chicago Mercantile Exchange, 40# blocks were unchanged at \$1.4300 in moderate trading and barrels increased .5 cent to \$1.4275 in light activity. Barrels remain tight to short of needs. Some processors continue to be unable to secure desired barrel supplies. Block supplies are more than adequate. Natural cheese orders are being made for short term needs as buyers are concerned with possible price weakness. Milk and cheese production are trending higher through most major producing areas.

CHICAGO MERCANTILE EXCHANGE**BUTTER TRANSACTIONS ON FRIDAY, FEBRUARY 20, 1998**

(CARLOT UNIT = 40,000 - 42,000 LBS.)

GRADE	PRICE CHANGE	LAST SIGNIFICANT TRANSACTION - LST
AA	N.C.	\$1.4000 : SALE 02/20/98
A	N.C.	\$1.3000 : SALE 02/20/98
B	N.C.	\$1.3000 : OFFER 02/13/98

SALES: 24 CARS GRADE AA: 1 @ \$1.4000, 2 @ \$1.3975, 3 @ \$1.3900, 6 @ \$1.3875, 3 @ \$1.3850, 2 @ \$1.3900, 1 @ \$1.3800, 3 @ \$1.3825, 1 @ \$1.3925, 1 @ \$1.3950, 1 @ \$1.4000 (LST)
3 CARS GRADE A:
1 @ \$1.3250, 1 @ \$1.3100, 1 @ \$1.3000 (LST)

BIDS UNFILLED: 2 CARS GRADE AA @ \$1.3000
1 CAR GRADE A @ \$1.2200

OFFERS UNCOVERED: 9 CARS GRADE AA @ \$1.4000

CHEESE TRANSACTIONS ON THURSDAY, FEBRUARY 19, 1998

(CARLOAD UNIT = 40,000-44,000 LBS.)

CHEDDAR STYLES	PRICE CHANGE	LAST SIGNIFICANT TRANSACTION
BARRELS	+.0050	\$1.4275 : BID 02/19/98
40# BLOCKS	N.C.	\$1.4300 : SALE 02/19/98

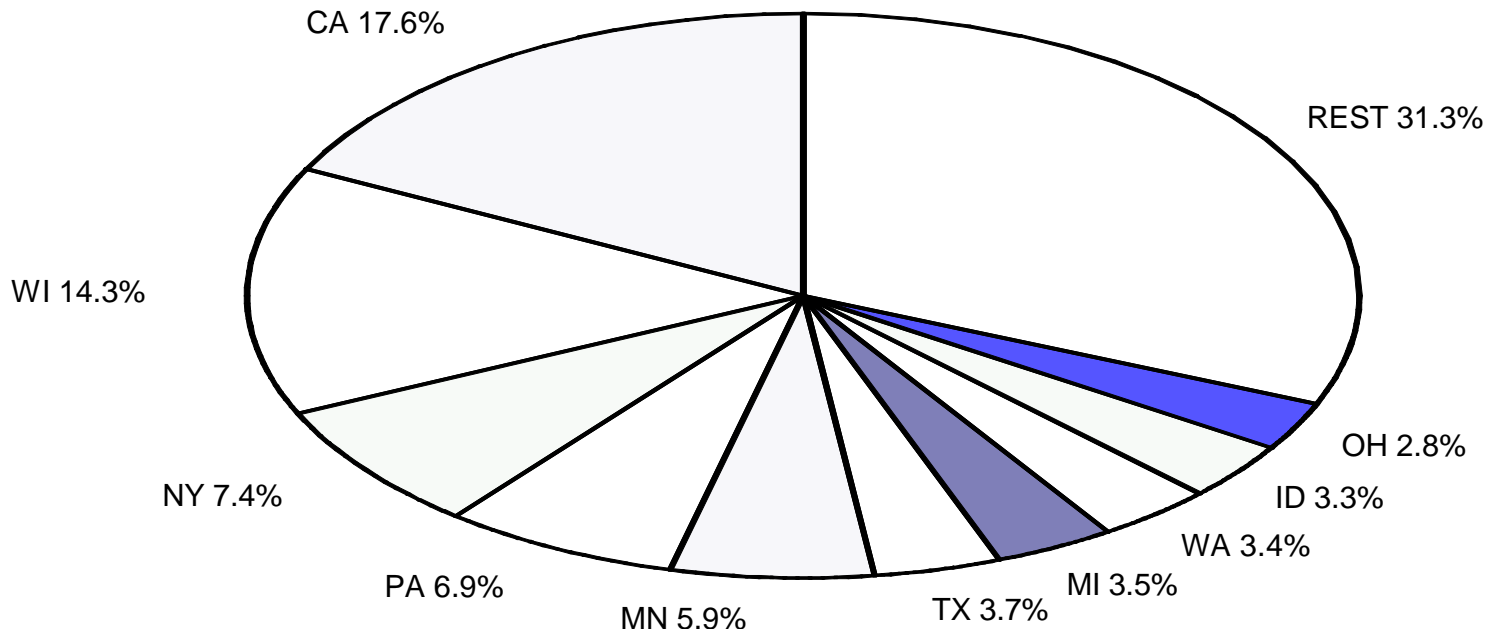
SALES: 2 CARS BARRELS: 1 @ \$1.4225, 1 @ \$1.4250

21 CARS 40# BLOCKS:
11 @ \$1.4275, 10 @ \$1.4300 (LST)

BIDS UNFILLED: 1 CAR BARRELS @ \$1.4275 (LST)

OFFERS UNCOVERED: 1 CAR 40# BLOCKS @ \$1.4300

**TOP TEN MILK PRODUCING STATES
SHARE OF 1997 ANNUAL PRODUCTION**



PRINT BUTTER MARKETS - GRADE AA

NORTHEAST

Prices are one cent lower and the market tone is fairly stable. Contacts wonder/speculate what signals should be garnered from last Friday's drop in butter prices at the CME. Does this indicate that prices are leveling off or does this mean that prices could drop further? In any event, buyers are still ordering for near term needs. Production levels are up at some plants, steady at others. Because of the high prices for cream, cream users are delaying or limiting purchases which causes more cream to wind up in butter production. Butter supplies are more than adequate to meet the current, slow to fair demand. At current prices, there is little interest in storing butter. Retail and food service orders are, at best, fair.

**WHOLESALE PRICES: MIN 25 BOXES
DOLLARS PER POUND, DELIVERED EAST COAST CITIES**

1/4 LB. PRINTS	: 1.6100-1.8575
1 LB. PRINTS	: 1.5250-1.7075
CHIPS/PATTIES	: 1.5875-1.7950
REDDIES	: 1.6625-1.8575
CONTINENTALS	: 1.7425-1.9175

CENTRAL

Central print butter prices are slightly lower following February 13 cash trading at the Chicago Mercantile Exchange. The market tone is mixed. Some producers/handlers desire a stable market while others prefer a weak market. Churning schedules are seasonally active with cream supplies being offered to churns from local and out of area suppliers. In instances, Midwestern buyers are less willing to pay quoted prices for available cream from outside sources. Butter buying interest is holding steady at good levels, much to the surprise of butter handlers. Stocks of butter are reported to be readily available for current needs. Due to the unsettledness of the current markets, Midwestern handlers are finding offerings of Western butter to be available at more favorable prices than past weeks.

FOB CENTRAL STATES PLANTS: MIN 20,000 POUNDS, \$ PER POUND

1/4 LB. PRINTS	: 1.5000-1.9075
1 LB. PRINTS	: 1.4650-1.6275
CHIPS/PATTIES	: 1.4900-1.7000
REDDIES	: 1.5750-1.8100
CONTINENTALS	: 1.7300-1.9200

WEST

Print butter prices declined one cent following trading at the CME on February 13. Contacts are unsure as to how to interpret the price move. Many don't see any real change in the market fundamentals over the last few weeks. Buyers from other areas of the country continue to search for butter in the Western region. Fewer buyers are storing butter for future needs at this time. Production levels are mixed, trending both higher and lower. Some cream is leaving the region. A few manufacturers are noting slightly increased stocks of butter.

**WHOLESALE SELLING PRICES: DELIVERED WESTERN CITIES
150 - 1000 POUNDS, DOLLARS PER POUND**

1/4 LB. PRINTS	: 1.6825-1.7500
1 LB. PRINTS	: 1.6125-1.6775
PATTIES	: 1.6550-1.8200
REDDIES	: 1.7800-1.7975

**FOB CALIFORNIA PLANTS - GRADE AA
100 CASES AND UP, DOLLARS PER POUND**

1/4 LB. PRINTS	: 1.3975-1.4475
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**WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS**

	BUTTER	CHEESE
	:	:
02/16/98	10,110	102,537
02/01/98	8,834	98,933
CHANGE	+1,276	+3,604
% CHANGE	+ 14	+ 4

NASS CHEDDAR CHEESE PRICE SURVEY

WEEK ENDING	40# BLOCKS			640# BLOCKS		BARRELS (adjusted to 39% moisture)		
	MN/WI	WEST	U.S.	U.S.		MN/WI	OTH STATES	U.S.
FEBRUARY 13	1,4534	1,4090	1,4190	1,4218		1,4139	1,3899	1,3994
	1,044,344	4,640,566	5,900,764	2,850,621		3,285,039	5,027,708	8,312,747

Further data may be found on the Internet at: <http://usda.mannlib.cornell.edu/reports/nassr/price/cheddar/>

CHEESE MARKETS

NORTHEAST

Prices and the market tone are unchanged. However, some contacts wonder why prices at the CME are holding as high as they are when surplus milk is so abundant and cheese supplies are more than adequate for most needs. Locally, cheese output is increasing as more milk is available. Demand for most types of cheese is fair. Many buyers/distributors continue to purchase on an "as needed" basis. They don't want to be caught with inventories should prices ever fall. Retail sales are slow to fair. Food service orders are up slightly in scattered areas.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.4525-1.9125
Cheddar Single Daisies	:	1.4225-1.9175
Cheddar 40# Block	:	1.5675-1.7275
Process 5# Loaf	:	1.6325-1.7600
Process 5# Sliced	:	1.6525-1.8175
Muenster	:	1.6100-2.0100
Grade A Swiss Cuts 10 - 14#	:	2.2500-2.5050

MIDWEST

Many traders continue to ponder the supply/demand situation, considering possible price adjustments. At the Chicago Mercantile Exchange on February 12, the price of blocks was unchanged at \$1.4300 and barrels were steady at \$1.4225. The narrow spread between blocks and barrels (less than 1 cent) has helped some production return to barrels. The employee strike at a large Midwest barrel plant continues to affect some processors even though the milk continues to be manufactured by other firms. However, despite an increase at other plants, barrels and good (white) processing solids remain tight to short of needs. Process demand is fair to good, at least for February. More block producers have an extra load or two available. Buyers are generally more conservative toward block and natural purchases, tending to short term needs. Current cheese prices have affected the aging programs at some firms. This has provided traders ammunition for possible price declines. Milk intakes are steady to higher as unseasonably warm weather is aiding milk production.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.4975-1.7600
Brick And/Or Muenster 5#	:	1.7100-1.8875
Cheddar 40# Block	:	1.6800-1.9150
Monterey Jack 10#	:	1.8800-1.9150
Blue 5#	:	2.0325-2.2500
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.7900-1.9150
Grade A Swiss Cuts 6 - 9#	:	2.2800-2.4850

WEST

All prices held steady for Western cheese. Production is increasing at many locations. The wet weather has had little impact as of yet. Barrels and processing solids are finding the best demand. Blocks are in generally good balance and they are more available than barrels. Contacts note that more plants are fortifying their vats with additional solids to get more efficiency out of them. Contacts are somewhat disappointed in Swiss sales activity for this time of year. Mozzarella is clearing very well.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.5400-1.8400
Cheddar 40# Block	:	1.6125-1.7300
Cheddar 10# Cuts	:	1.7500-1.9525
Monterey Jack 10#	:	1.7150-1.9150
Grade A Swiss Cuts 6 - 9#	:	2.3375-2.5600

FOREIGN TYPE

Prices and the market tone are unchanged. Stocks of foreign type and/or imported cheese are adequate for most needs. Demand is seasonally slow to fair.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
	:	:
Roquefort	: 5.5000-6.8900	: -0-
Blue	: 2.6400-3.1400	: 1.7650-2.3750
Gorgonzola	: 3.2400-5.9400	: 2.4300-2.4950
Parmesan (Italy)	: TFEWR	: 3.1750-3.2125
Romano (Italy)	: 2.0900-2.9000	: -0-
Provolone (Italy)	: 3.4400-5.5000	: 1.4375-1.9450
Romano (Cows Milk)	: -0-	: 2.9625-3.2150
Sardo Romano (Argentine)	: 2.6500-3.2900	: -0-
Reggianito (Argentine)	: 2.6500-3.2900	: -0-
Jarlsberg-(Brand)	: 2.7400-3.1200	: -0-
Swiss Cuts Switzerland	: -0-	: 2.2500-2.5050
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-
Swiss Cuts Austrian	: 2.2500-2.7500	: -0-
Edam	:	:
2 Pound	: TFEWR	: -0-
4 Pound	: 2.1900-3.0900	: -0-
Gouda, Large	: 2.3900-3.1500	: -0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	: 27.8000-31.7000	: -0-

* = Price change.

FLUID MILK AND CREAM

E A S T

Northeastern Milk Market Administrators announce January 1998 uniform (blend) prices: Federal Order (F.O.) 1 is \$14.02; F.O. 2, \$13.95; F.O. 4, \$14.27; F.O. 36, \$14.14; and Western NY Milk Market Area, \$13.89. During January, milk production in the 20 major states totaled 11.4 billion pounds, up 2.0% from January 1997. The following are the January-to-January changes for selected states: Florida -10.7%, Texas -7.7%, Kentucky -7.6%, New York -2.9%, Pennsylvania +5.6%, Vermont +4.2%, and Virginia +2.5%. Heavy rains have blanketed much of the East during the past 7 - 10 days. Early in the week, the Gulf Coast states were hardest hit and localized flooding did occur in Eastern Texas, Louisiana, Mississippi, and Florida. Muddy feedlots are a concern as herd health problems often follow prolonged periods of wet, muddy conditions. This week, Florida handlers did send 20+ loads out of state for processing. Elsewhere in the Southeast, demand for milk is sluggish at best. Handlers/processors are starting to cut back on milk orders in anticipation of the start of Mardi Gras. Milk is not the most popular beverage and bottled milk sales are affected in surrounding areas. In the Middle Atlantic and Northeast regions, milk production is coming up slightly, but heavy rains late in the week are retarding gains seen during the past couple weeks. Bottled milk sales are slower as most schools in New England are on vacation this week. Other states' schools were out on Monday for Presidents' Day. Manufacturing plants are quite busy and some milk is moving to out of region plants for processing. Milk is becoming more of a burden and at times clearing below Class prices. Consequently, some handlers have lowered or are lowering over order premiums paid to producers. The condensed skim market remains weak and prices are steady to lower. Demand is slow to fair. The fluid cream market is steady to weaker. With the Grade A butter price dropping 2 1/2 cents, butter makers are less eager to purchase cream this week. They are paying sharply lower multiples than a couple weeks ago. Class II spot prices are lower, but multiples are unchanged from last week. Ice cream producers are still reluctant to step up output with fat prices still very high. Until prices moderate, they are making products that require less/no fat. Production of other Class II, high fat products are steady to lighter unless cream is attractively priced. Churning activity is moderate to heavy.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. Producing Plants: Northeast	-	1.6900 - 1.8460
Delivered Equivalent Atlanta	-	1.6640 - 1.9660
F.O.B. Producing Plants: Upper Midwest	-	1.7290 - 1.8200

PRICES OF CLASS II CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. Producing Plants: Northeast	-	1.0000 - 1.1875
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M I D W E S T

WISCONSIN SPOT SHIPMENTS:

SPOT SHIPMENTS:	LOADS
FEBRUARY 13 - 19, 1998	0
PREVIOUS WEEK	0
COMPARABLE WEEK IN 1997	0

Class I demand is irregular, bolstered by retail promotional activity late in the week, but sluggish early. School movement was affected by the President's Day holiday. The continued labor strike by a large upper Midwestern cheese plant continues to force extra milk into other plants. Milk supplies are fully adequate within the region. Manufacturing milk prices are steady at best. Reported prices range from flat class or MCP to \$1.00 over, outside the strike area. Cream supplies are readily available though buyers remain cautious at current "high" prices. Ice cream manufacturing remains seasonally active though the emphasis is still on lower fat items when possible. Milk receipts

are irregular, ranging from slightly higher to occasionally lower depending on location. The initial January 1998 estimated milk production in selected Midwestern states compared with 1997 is: Wisconsin 1.874 billion pounds, up 22 million pounds (1.2%); Minnesota 784 million pounds, down 16 million pounds (2.0%); Michigan 462 million pounds, up 2 million pounds (0.4%), and Iowa 340 million pounds, up 13 million pounds (4.0%). Unseasonably warm temperatures continue to blanket the region. Little snow cover is left beyond drifts and banks. The soft conditions have made manure hauling difficult and in instances softened driveways. Hay prices are trending lower. Tested hay sold at auctions during the week ending February 19 for prime quality RFV over 151 (relative feed value RFV) sold for \$90.00 - 160.00 per ton. Good quality (RFV 125-151) sold for \$80.00 - 150.00, mostly 90.00 - 125.00 and good quality (RFV 103-124) went for \$50.00 - 100.00, mostly 60.00 - 90.00 per ton.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	FEB 12 - 18	PREVIOUS YEAR
SLAUGHTER COWS	\$ 36.00- 40.00	\$ 32.00- 38.00
REPLACEMENT HEIFER CALVES	\$110.00-150.00	\$ 90.00-150.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	FEB 12 - 18	PREVIOUS YEAR
SLAUGHTER COWS	\$ 36.00- 41.00	\$ 30.00- 36.50

W E S T

U.S. milk production in the surveyed states for January totaled 11.4 billion pounds, up 2.0% from January 1997. January output for selected Western states compared to last year is as follows: Arizona down 2.5%, California up 9.9%, Idaho up 13.7%, New Mexico up 4.8%, and Washington down 0.9%. Revised 1997 output for the U.S. totals 156.6 billion pounds, up 1.5% from 1996. Comparing 1997 calendar year output to a year earlier for selected Western states is as follows: Arizona up 7.7%, California up 6.8%, Colorado up 2.8%, Idaho up 9.7%, New Mexico up 6.9%, Oregon up 0.1%, Utah down 0.5%, and Washington up 0.5%. Conditions remain very wet over most of California. The dairy areas are generally not as hard hit as coastal areas. Output is certainly down somewhat, but not as much as plants and producers had anticipated. Contacts do state that the ground is saturated and further moisture will have a far greater impact. More concern is now shifting to herd health problems based on the muddy conditions. Somatic cell counts are increasing slowly, but have not shown any kind of a spike yet. Concern is also being expressed about delays in alfalfa harvesting in the south and the possibility of drowned out fields in the north. Cream continues to leave the state for churning and ice cream production with multiples declining. Producers are pleased to see that concentrate and protein prices are falling which is helping on the feed cost side of the equation. Rain and warm temperatures are common in the Pacific Northwest. The snow pack has slowly climbed above normal over the past few weeks. On the west side of the mountains, milk production remains steady at good levels due to the dairy housing conditions. On the east side, where feedlot dairying is more prevalent, the weather impact is more noticeable. Muddy lots are putting more stress on the milking herds. More hay is being offered by growers as they note that their stocks are larger than planned for this time of the year. Movement is very slow at this time because milk producers don't want their yards cut up by more trucks and sellers are not sure if they can get near some of their stored hay at this time. Wet snow is noted over parts of Utah and Idaho. The winter, however, is still generally considered "open." The mud is becoming more of a concern. The way the winter is shaping up, many contacts are wondering if these warm, muddy, and wet conditions might not last until the real spring arrives. No one is looking forward to that.

CENTRAL AND WEST DRY MILK PRODUCTS

All reports, except California manufacturing plants, were released 02/19/98 and represent FOB Central and Western production areas. Prices represent CL/TL quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL

Prices are steady and the market tone remains weak. Demand is limited with more interest in low heat production. High heat sales are slower. Some producers are considering lower prices in order to be competitive with the abundance of offerings on the market. Available supply surpasses the current demand. Production levels are moderate. Producer stocks are adequate for needs.

Includes EXTRA GRADE and GRADE A, all heat treatments

NONFAT DRY MILK: 1.0300 - 1.0775 MOSTLY: 1.0400 - 1.0500

DRY BUTTERMILK - CENTRAL

Prices are unchanged and the market undertone continues to show firmness. Demand ranges from fair to occasionally stronger. Availability of product is limited. Many producers are unable to cover all orders and are only offering reduced volumes. Production schedules are active although inventories are lighter than desired.

BUTTERMILK: .9325 - .9675

DRY WHEY - CENTRAL

The price range is fractionally higher on the top end, but the mostly is unchanged. Demand is fair to often sluggish. Product is available from the majority of resellers and manufacturers. Many buyers are searching for prices below the market, but having trouble finding any. A few sellers are returning to normal premiums on contracted volumes. Interest from animal feed buyers has increased. Inventories are balanced to occasionally lighter than desired. As a result, some producers are only offering reduced volumes to customers. Production schedules are active.

NONHYGROSCOPIC: .2300 - .2600 MOSTLY: .2400 - .2500

ANIMAL FEED WHEY - CENTRAL

Prices are unchanged and nominal for all animal feed types. The market tone for downgraded whey is steady. Demand is good and supplies range from available to scarce. Many buyers are only purchasing for hand-to-mouth needs in hopes of future lower prices. A few others have resumed regular buying patterns. Sales activity is slower than last week. Demand for delactose is steady. Producers are filling contracted accounts and selling spot loads when available. Production levels are moderate.

MILK REPLACER:	.1900 - .2350
STANDARD:	.1800 - .2200
ROLLER GROUND:	.2550 - .2700
DELACTOSE (Min. 20% protein):	.3400 - .3675

LACTOSE - CENTRAL AND WEST

Prices are unchanged and the market undertone is steady. Demand is fair to occasionally stronger. Sales activity is quieter this week with fewer transactions reported. Availability of product continues to be limited. Demand from animal feed buyers is stronger for the increased number of downgrade offers. Supplies are fairly tight, but price movements are minimal. The strike at a major plant continues to reduce production levels and divert milk marketings.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1800 - .2600 MOSTLY: .2100 - .2250

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

The price range is unchanged, but the mostly edged slightly lower on the top end. The market undertone is softening. Demand is steady to slower. The majority of product is committed to contracts and spot sales are less active. An increased number of discounts and downgrade offerings have been reported. Inventories are balanced and available for needs.

EXTRA GRADE 34% PROTEIN: .5775 - .6275 MOSTLY: .6050 - .6075

NONFAT DRY MILK - WEST

No price changes are noted for any type of Western NDM powder. Offerings are more than adequate to cover any current demand. Buyers see no reason to purchase more powder than they need to cover current demand. DEIP sales are helping to keep stocks in balance for some producers. Some contacts are stating that more powder is being used to fortify cheese vats again. Weather problems in the West have not impacted powder output to any great extent. Contacts do believe that there may be additional opportunities to sell powder to the southeastern part of the country this year because of milk production declines caused by heavy storms and continuing wet weather. CCC adjusted NDM purchases under the price support program during the week of February 9-13 totaled 2.96 million pounds.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: 1.0200 - 1.0550 MOSTLY: 1.0250 - 1.0350
HIGH HEAT: 1.0500 - 1.0650

DRY BUTTERMILK - WEST

The Western buttermilk powder price range held steady this week, but the mostly showed some fractional strength. Buying activity is rated generally as good. Some contacts are surprised at the early season strength, but some powder users are concerned about availability for later this summer. An additional factor influencing demand is the belief that butterfat will be tight most of the year. If that is the case, and ice cream plants believe that to be true, they want to make additional ice cream when powder is available and reasonably priced. Producer stocks of powder are very light. There continues to be a firm undertone to the market.

BUTTERMILK: .9000 - .9325 MOSTLY: .9050 - .9200

DRY WHEY - WEST

Range prices are steady, but the mostly moved fractionally higher. Less discounting is being offered by producers at this time. Most feel that their inventories are in good shape and there is no reason to stimulate additional sales activity at this time by lowering prices. Exporting is taking place and domestic sales are fair to good. Buyers have minimal stocks on hand as they purchase for only ongoing needs on a declining market. Contacts are watching the European market with added interest as their prices declined sharply this week. A new export tender is due to be announced in the next few weeks.

NONHYGROSCOPIC: .2000 - .2250 MOSTLY: .2100 - .2175

CALIFORNIA MANUFACTURING PLANTS

The weighted average price for Extra Grade and Grade A Nonfat Dry Milk for the seven day period ended February 13, on powder sales of 11,941,048 pounds f.o.b. California manufacturing plants was \$1.0338 per pound. This compares to 12,183,338 pounds at \$1.0349 for the previous week ending February 6, 1998. Prices for both periods were influenced by the effect of long-term contract sales. Compiled by the Dairy Marketing Branch, California Department of Food and Agriculture.

NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS

All reports represent carlot/trucklot quantities in 50 lb., 100 lb., or 25 kg. bags, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

NONFAT DRY MILK - NORTHEAST and SOUTHEAST

Prices are mostly unchanged and the market tone remains weak. There are more, but unconfirmed, reports of Eastern NDM being sold below the low end of our range. Some of these sales are for powder with some age on it, but some reports indicate that the offerings are relatively current powder. Large volume, multi-load sales of low heat powder are usually at the lower end of the range. Demand is slow. The attractive prices being offered by many producers are stimulating little additional interest in the marketplace. Production levels are increasing at most butter/powder plants and stocks are growing.

Includes EXTRA GRADE and GRADE A, all heat treatments

F.O.B. NORTHEAST: 1.0275 - 1.1200 MOSTLY 1.0300 - 1.0500
DELVD SOUTHEAST: 1.0550 - 1.0900

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices and the market tone are unchanged. Production levels are increasing at some plants, steady at others. Plant stocks are closely balanced as shipments are closely aligned with output. Most contacts report having a load or two on the floor and they are not overly concerned with current inventory levels. However, they do want to keep product moving to avoid building stocks. Demand for dry buttermilk ranges from fair to occasionally improved.

F.O.B. NORTHEAST: .9400 - .9800
DELVD SOUTHEAST: .9400 - 1.0025

DRY WHOLE MILK - NATIONAL

Prices are steady to higher and the market tone is quite firm. Production levels are moderate as plants fill contracts and DEIP sales. However, some plants are very busy making NDM and have little dryer time to make whole milk powder. Spot demand is fair, but DEIP sales are clearing good volumes of powder. Since all the dry whole milk allocations under DEIP are filled, contacts state that filling current contracts will have to carry them to July 1 when new DEIP allocations are announced.

F.O.B. PRODUCING PLANT: 1.3000 - 1.3700

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 1997 THROUGH FEBRUARY 13, 1998
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK	--	83,546	MT (184,195,320 LBS)
CHANGE	--	900	MT (1,984,140 LBS)
WHOLE MILK POWDER	--	7,487	MT (16,505,840 LBS)
Program allocations filled			
CHEESE	--	2,825	MT (6,227,995 LBS)
CHANGE	--	121	MT (266,757 LBS)
BUTTERFAT	--	15,579	MT (34,345,463 LBS)

Allocations for the DEIP year beginning July 1, 1997, are:
Nonfat dry milk - 92,217 MT; Whole Milk Powder - 7,487 MT;
Cheese - 3,510 MT; Butterfat - 34,232 MT.

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are mixed, ranging from fractionally lower to fractionally higher. The market tone is steady at best. Producers report that product is clearing satisfactorily, but many are accumulating some inventory. Traders report a very sluggish spot demand and little buying interest beyond contract deliveries. However, it appears that buyers are continuing to wait to see if prices will hold at these levels before making any major or large volume purchases. New export interest is also slow to develop. World market prices are dropping and current U.S. prices may be too high to effectively compete on the world market. Ongoing export contracts are clearing some powder.

F.O.B. NORTHEAST:	EXTRA GRADE	.2450 - .2550
	USPH GRADE A	.2500 - .2650
DELVD SOUTHEAST:		.2600 - .2800

ANIMAL FEED WHEY - NORTHEAST

Prices remain too few to report. Contacts report that animal feed makers/users are not very active. Some interest is evident, but most buyers are maintaining a wait and see attitude. Whey powder is readily available from many producers, but offering prices are little changed from last week.

F.O.B. NORTHEAST: MILK REPLACER TFEWR

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. However, recent orders have improved slightly. This seems to typical for late January-early February. This is usually a time when holiday stocks have been cleared and retailers begin to reorder. Also, some feature activity for Easter is getting under way. Production levels are steady to heavier at most operations now that milk supplies are increasing.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$22.50 - 33.00
Excluding promotional and other sales allowances. Included new price announcements.

CASEIN - NATIONAL

Casein prices are unchanged for both acid and rennet. The overall market is steady. Stocks are reported to be in balance for current needs. Deliveries of contracted volumes are on schedule with no disruptions foreseen in the near future. Oceania production remains seasonally strong while European sources are approaching the start of a new production season.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET:	2.1600 - 2.2000
ACID:	2.0000 - 2.1500

COFFEE, SUGAR, & COCOA EXCHANGE AND CHICAGO MERCANTILE EXCHANGE FUTURES

Selected settling prices, (open interest), and volume 1/

Month	02/05	02/06	02/09	02/10	02/11	02/12	02/13	02/16	02/17	02/18
CSCE CHEDDAR CHEESE -- Cents per pound										
FEB 98	138.30 (0) 0	138.30 (0) 0	138.30 (0) 0	138.30 (0) 0	138.30 (0) 0	138.30 (0) 0	138.30 (0) 0	NO TRADING	138.30 (0) 0	138.30 (0) 0
CSCE - NONFAT DRY MILK -- Cents per pound										
FEB 98	101.50 (0) 0	101.50 (0) 0	101.50 (0) 0	101.50 (0) 0	101.50 (0) 0	101.50 (0) 0	101.50 (0) 0	NO TRADING	101.50 (0) 0	101.50 (0) 0
APR 98	101.50 (0) 0	101.50 (0) 0	101.50 (0) 0	101.50 (0) 0	101.50 (0) 0	101.50 (0) 0	101.50 (0) 0		101.50 (0) 0	101.50 (0) 0
CSCE - BUTTER -- Cents per lb.										
FEB 98	116.00 (0) 0	116.00 (0) 0	116.00 (0) 0	116.00 (0) 0	116.00 (0) 0	116.00 (0) 0	116.00 (0) 0	NO TRADING	116.00 (0) 0	116.00 (0) 0
CSCE - BFP -- Dollars per cwt.										
FEB 98	13.27 (175) 6	13.24 (175) 16	13.22 (178) 18	13.27 (158) 4	13.29 (158) 3	13.27 (159) 1	13.25 (159) 0	NO TRADING	13.23 (158) 0	13.19 (160) 0
MAR 98	12.82 (102) 10	12.80 (103) 5	12.80 (103) 0	12.87 (104) 1	12.94 (96) 9	12.93 (105) 4	12.87 (109) 5		12.86 (110) 1	12.84 (114) 5
APR 98	12.40 (30) 2	12.36 (29) 2	12.30 (29) 0	12.38 (27) 4	12.40 (27) 1	12.43 (28) 0	12.40 (28) 1		12.38 (37) 8	12.28 (38) 1
MAY 98	12.30 (36) 2	12.23 (38) 3	12.16 (51) 15	12.25 (51) 3	12.41 (53) 2	12.40 (54) 4	12.38 (57) 6		12.35 (57) 2	12.23 (57) 1
JUN 98	12.15 (15) 2	12.15 (15) 0	12.08 (15) 0	12.06 (16) 1	12.13 (16) 0	12.13 (16) 0	12.09 (23) 7		12.06 (23) 0	12.05 (22) 0
CSCE - FLUID MILK -- Dollars per cwt.										
FEB 98	14.33 (0) 0	14.33 (0) 0	14.33 (0) 0	14.33 (0) 0	14.33 (0) 0	14.33 (0) 0	14.33 (0) 0	NO TRADING	14.33 (0) 0	14.33 (0) 0
CME - BUTTER -- Cents per pound										
FEB 98	142.00 (45) 4	139.50 (51) 9	137.00 (51) 4	137.00 (54) 18	137.00 (54) 0	135.00 (54) 0	137.00 (53) 1	NO TRADING	139.00 (53) 0	137.00 (36) 15
MAR 98	141.50 (34) 6	141.45 (33) 5	138.95 (33) 0	135.00 (33) 1	135.00 (33) 2	135.00 (33) 0	135.00 (33) 0		135.00 (33) 0	135.75 (33) 0
CME - BFP -- Dollars per cwt.										
FEB 98	13.30 (250) 37	13.24 (249) 14	13.24 (252) 7	13.28 (248) 22	13.29 (239) 15	13.27 (232) 14	13.27 (232) 1	NO TRADING	13.27 (232) 0	13.15 (232) 0
MAR 98	12.82 (104) 10	12.80 (103) 7	12.80 (106) 6	12.87 (107) 7	12.96 (124) 34	12.94 (156) 51	12.93 (158) 13		12.89 (160) 10	12.82 (164) 4
APR 98	12.40 (75) 2	12.32 (72) 3	12.32 (71) 4	12.40 (76) 13	12.45 (76) 8	12.45 (79) 6	12.40 (80) 2		12.40 (80) 0	12.30 (80) 0
MAY 98	12.32 (34) 4	12.21 (34) 3	12.21 (35) 3	12.26 (39) 12	12.41 (46) 16	12.42 (56) 18	12.35 (56) 1		12.35 (57) 4	12.30 (57) 0
JUN 98	12.21 (54) 5	12.16 (53) 5	12.16 (55) 4	12.16 (60) 5	12.15 (62) 5	12.15 (62) 0	12.11 (65) 3		12.16 (67) 2	12.11 (67) 0
CME - CHEDDAR CHEESE -- Cents per pound										
JAN 98	142.10 (11) 0									
MAR 98	137.60 (81) 0	137.50 (81) 0	137.00 (81) 1	137.25 (81) 0	138.25 (80) 2	138.25 (82) 2	138.00 (82) 0	NO TRADING	137.50 (82) 0	135.00 (81) 3

1/ Open interest for NDM and cheddar -- 4 contracts equal 40,000 pounds. Open interest for fluid milk (at both exchanges) -- 1 contract equals 50,000 pounds. For more detailed information, you may call our automated voice system at 608-224-5088 or the CSCE's Soft Fax at 212-742-6111.

INTERNATIONAL DAIRY MARKET NEWS

Information gathered February 9 - 20, 1998

Prices are U.S. Dollars per MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN AND EASTERN EUROPE

OVERVIEW: WESTERN EUROPE: Trading activity out of Western Europe remains slow and unaggressive, although some Northern Africa business is starting to develop for spring delivery. This is the first sizable buying interest out of this region thus far this calendar year. Milk production patterns throughout most areas of Europe are at seasonal low levels. Although milk output is low, many milk producers are closely monitoring their output as the quota year-end approaches. With the quota year-end about six weeks away, no noticeable declines in milk receipts have been noticed as of yet. Milk handlers state that they usually do not notice much change until the last week to ten days. Milk production during the current quota year has been favorable, thus handlers anticipate that receipts will drop. Stocks of most manufactured dairy products are reported to be sufficient for current buyer interest. Stocks are sufficient to the point that SMP producers are preparing to offer powder to intervention and butter producers are considering clearances to PSA.

BUTTER/BUTTEROIL: Butter markets remain weak with prices generally lower. Prices have been declining during the past 4 - 6 weeks and now some traders are reporting that the declines are slowing. Some are attributing the slowdown in declines to the potential for butter to enter PSA starting April 1. Cream stocks are not excessive as milk production is now at seasonal low levels. Demand for both butter and butter oil is quite slow. Most activity that is occurring are deliveries from orders placed last year.

82% BUTTERFAT:	1,800 - 2,000
99% BUTTERFAT:	2,200 - 2,400

SKIM MILK POWDER (SMP): Skim powder markets are steady to weak with prices unchanged to generally lower. Buying interest remains slow, although some buyer interest is starting to develop for shipment in spring to Northern Africa. This is the first substantial SMP interest thus far this calendar year. Within the past few weeks, many producers are preparing powder for offering into intervention which starts March 1. Powder handlers anticipate heavy intervention offerings will occur due to light domestic and international buyer interest, but also state that sales activity could change very quickly and halt offerings.

1.25% BUTTERFAT:	1,470 - 1,540
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WHOLE MILK POWDER (WMP): Whole milk powder markets are generally weak with prices unchanged to lower. Buying interest has been light since the first of the year, but sales to Northern Africa are starting to occur. Stock levels are limited for immediate shipment, but the recent activity in the market has deliveries scheduled into the spring.

26% BUTTERFAT:	1,700 - 1,810
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SWEET WHEY POWDER: Whey markets are weak as prices range lower to sharply lower. Although edible prices are lower, sales remain limited. The weak tone to the edible market is being attributed to the aggressive sales activity of feed grade whey.

NONHYGROSCOPIC:	520 - 725
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OVERVIEW: EASTERN EUROPE: In Eastern Europe, milk production is also at the bottom of the seasonal cycle. Weather conditions have been and remain quite mild for this time of the winter. Most sales activity is centering around domestic use, with international buyer interest slow and unaggressive. Domestic prices are basically holding steady, although export prices are being adjusted lower in response to other European prices.

OCEANIA

OVERVIEW: Milk production patterns throughout Oceania continue to decline. Dry conditions are being reported in most of the dairy areas. Although milk output is declining, reports indicate that overall production, by the end of the annual cycle, will probably be at or slightly higher than last year. Butterfat levels of the incoming milk are also reported to be lower. Trading activity out of the region remains quiet. Oceania traders continue to pursue additional outlets for their available stocks. The Southeast Asian financial situation and the unrest in the Persian Gulf are two factors that many traders are blaming for the slow buyer interest. Stocks of most dairy products are reported to be in good balance with current needs.

BUTTER: Butter markets are weak as most Oceania traders continue to adjust to a weaker European situation. As in most dairy product markets, demand is light and unaggressive. Russian buying interest has basically ceased and no other major buyer interest is occurring at this time. Most of Oceania's butter activity is centering around shipments for contracts previously negotiated.

82% BUTTERFAT:	1,750 - 1,825
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CHEDDAR CHEESE: Cheese markets are weak with prices unchanged to lower. Although milk volumes are declining, cheese output remains seasonally active. Stocks are reported to be in comfortable balance with current demand. Trading activity is not overly active. In the past, much of Oceania's cheese has cleared to Asian markets, but this trading activity has slowed greatly due to the unsettled financial situation of that market. Traders are looking to others potential markets for cheese sales.

39% MAXIMUM MOISTURE:	1,875 - 2,000
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SKIM MILK POWDER (SMP): Oceania skim milk powder markets are steady to weak with prices unchanged to lower. Buying interest is light, but the recent 17,000 MT Japanese tender awarded to the region will help clear readily available stocks. Butter/powder production schedules are edging lower as milk output declines.

1.25% BUTTERFAT:	1,475 - 1,550
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WHOLE MILK POWDER (WMP): Whole milk powder prices are steady to lower. The market tone is weak. Stocks of whole milk powder are readily available. Reports indicate that surplus milk volumes are being directed toward whole milk powder production versus other manufactured dairy products.

26% BUTTERFAT:	1,750 - 1,775
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Exchange rates for selected foreign currencies: February 13, 1998

.4878 Dutch Guilder	.5500 German Mark
.1641 French Franc	.5833 New Zealand Dollar
.1181 Mexican Peso	.6733 Australian Dollar
1.6403 British Pound	.0079 Japanese Yen
.2811 Polish Zloty	

To compare the value of 1 US Dollar to Mexican Pesos: $(1/.1181) = 8.4674$. That is 1 US Dollar equals 8.4674 Mexican Pesos.

Source: "Wall Street Journal"

Milk Cows and Production: By State and United States, 1996-97

State	Milk Cows <u>1/</u>		Milk Per Cow <u>2/</u>		Milk Production <u>2/</u>		Change From 1996
	1996	1997	1996	1997	1996	1997	1996
	----- 1,000 -----		----- Pounds -----		Million Pounds		Percent
AL	32	31	13,563	13,484	434	418	-3.7
AK	0.8	0.9	16,875	16,667	13.5	15.0	11.1
AZ	121	127	20,446	20,976	2,474	2,664	7.7
AR	57	53	12,053	12,094	687	641	-6.7
CA	1,276	1,325	20,267	20,851	25,861	27,628	6.8
CO	84	84	19,440	19,988	1,633	1,679	2.8
CT	30	30	16,633	16,967	499	509	2.0
DE	9.6	10.1	14,583	15,149	140	153	9.3
FL	156	160	15,391	15,481	2,401	2,477	3.2
GA	97	97	15,320	15,340	1,486	1,488	0.1
HI	9.4	9.1	13,723	13,516	129	123	-4.7
ID	256	272	18,496	19,092	4,735	5,193	9.7
IL	154	147	15,162	15,694	2,335	2,307	-1.2
IN	140	140	15,471	15,636	2,166	2,189	1.1
IA	249	244	15,197	16,340	3,784	3,987	5.4
KS	82	81	14,634	15,864	1,200	1,285	7.1
KY	153	145	12,157	12,517	1,860	1,815	-2.4
LA	78	77	10,744	10,312	838	794	-5.3
ME	40	40	16,200	16,525	648	661	2.0
MD	86	86	15,360	15,488	1,321	1,332	0.8
MA	27	26	16,296	16,731	440	435	-1.1
MI	320	306	16,969	17,680	5,430	5,410	-0.4
MN	598	583	15,786	15,798	9,440	9,210	-2.4
MS	51	47	12,902	13,489	658	634	-3.6
MO	179	168	13,659	14,077	2,445	2,365	-3.3
MT	20	19	15,350	15,526	307	295	-3.9
NE	69	69	15,217	15,072	1,050	1,040	-1.0
NV	25	26	18,800	18,346	470	477	1.5
NH	19	19	17,053	17,263	324	328	1.2
NJ	22	20	13,500	15,000	297	300	1.0
NM	195	202	19,246	19,856	3,753	4,011	6.9
NY	702	699	16,396	16,519	11,510	11,547	0.3
NC	81	76	15,901	16,566	1,288	1,259	-2.3
ND	62	55	12,968	12,764	804	702	-12.7
OH	285	280	15,298	15,768	4,360	4,415	1.3
OK	97	96	12,938	13,281	1,255	1,275	1.6
OR	93	90	17,290	17,889	1,608	1,610	0.1
PA	644	639	16,522	16,811	10,640	10,742	1.0
RI	2	2	15,600	16,000	31.2	32.0	2.6
SC	26	26	14,654	15,077	381	392	2.9
SD	112	105	13,161	13,181	1,474	1,384	-6.1
TN	116	111	13,940	14,360	1,617	1,594	-1.4
TX	398	385	15,377	14,982	6,120	5,768	-5.8
UT	91	91	17,000	16,923	1,547	1,540	-0.5
VT	156	157	16,468	16,567	2,569	2,601	1.2
VA	126	122	14,325	15,238	1,805	1,859	3.0
WA	264	264	19,996	20,095	5,279	5,305	0.5
WV	20	18	12,600	14,778	252	266	5.6
WI	1,449	1,393	15,442	16,057	22,376	22,368	0.0
WY	6	6	14,050	13,450	84.3	80.7	-4.3
US <u>3/</u>	9,361	9,258	16,479	16,916	154,259	156,603	1.5

1/ Average number during year, excluding heifers not yet fresh.2/ Excludes milk sucked by calves. 3/ Will not add due to rounding.

**TOTAL COW SLAUGHTER UNDER FEDERAL INSPECTION, UNITED STATES, JANUARY 1995 TO DATE
(THOUSAND HEAD)**

1995			1996			1997		
Week Ending	All Cows	Dairy Cows	Week Ending	All Cows	Dairy Cows	Week Ending	All Cows	Dairy Cows
Jan 7	115.8	56.3	Jan 6	118.0	54.6	Jan 4	125.1	55.7
14	136.3	68.2	13	140.5	61.8	11	161.9	72.7
21	128.9	64.5	20	142.3	63.8	18	135.2	61.1
28	124.2	64.3	27	133.1	63.2	25	150.9	67.4
Feb 4	117.5	62.8	Feb 3	122.7	56.8	Feb 1	133.3	62.4
11	119.2	59.7	10	120.2	59.3	8	133.4	62.7
18	114.5	59.1	17	147.6	67.7	15	126.2	62.1
25	122.4	62.8	24	134.9	61.4	22	122.0	59.1
Mar 4	117.0	59.2	Mar 2	127.9	64.1	Mar 1	122.3	60.9
11	108.1	57.0	9	120.2	55.7	8	118.8	58.4
18	117.5	58.9	16	122.9	59.7	15	129.6	61.8
25	120.5	57.3	23	130.6	58.4	22	122.1	58.1
Apr 1	111.5	51.7	30	124.0	55.9	29	122.2	55.8
8	103.9	51.0	Apr 6	122.9	57.1	Apr 5	118.2	54.3
15	103.2	49.0	13	125.6	55.4	12	116.5	54.8
22	110.5	51.8	20	136.4	60.6	19	120.1	55.9
29	115.0	54.5	27	135.4	54.8	26	123.9	54.5
May 6	108.8	49.7	May 4	130.1	52.0	May 3	114.2	51.1
13	105.3	49.9	11	125.2	50.6	10	117.5	52.5
20	105.3	49.0	18	135.2	59.2	17	111.3	50.0
27	110.4	49.9	25	138.1	54.0	24	112.9	50.7
Jun 3	95.6	43.9	Jun 1	128.7	49.0	31	98.6	44.4
10	112.1	52.6	8	133.4	53.0	Jun 7	111.3	50.5
17	107.5	48.5	15	129.1	51.4	14	101.0	45.0
24	103.7	44.9	22	129.0	49.3	21	101.7	45.1
Jul 1	111.2	50.9	29	131.1	51.1	28	113.4	49.6
8	85.8	41.3	Jul 6	99.7	38.6	Jul 5	90.4	40.8
15	111.1	52.1	13	135.5	57.0	12	116.0	52.0
22	99.6	48.6	20	140.3	59.3	19	114.6	50.1
29	100.6	48.9	27	125.5	53.8	26	112.5	51.2
Aug 5	100.3	47.8	Aug 3	122.8	54.7	Aug 2	119.9	52.8
12	106.2	50.2	10	128.4	54.5	9	117.3	53.1
19	107.7	53.7	17	132.2	56.8	16	119.9	54.8
26	109.8	51.1	24	141.9	60.8	23	117.8	56.0
Sep 2	118.6	55.7	31	137.4	59.7	30	116.0	54.3
9	100.9	48.6	Sep 7	113.5	51.2	Sep 6	96.5	47.3
16	126.8	58.3	14	137.5	58.0	13	124.1	56.9
23	124.9	57.1	21	138.7	61.3	20	123.1	55.8
30	123.7	57.9	28	136.2	59.5	27	121.3	57.8
Oct 7	123.3	54.8	Oct 5	141.9	58.5	Oct 4	122.3	54.4
14	125.8	55.7	12	149.4	62.9	11	122.4	55.0
21	133.7	55.9	19	154.4	63.6	18	129.0	59.0
28	142.3	59.5	26	159.6	65.0	25	146.2	62.9
Nov 4	152.8	64.1	Nov 2	166.8	65.5	Nov 1	146.9	62.8
11	148.7	61.8	9	163.8	65.8	8	149.2	62.8
18	156.5	63.6	16	166.3	65.8	15	146.8	62.7
25	120.9	50.7	23	166.3	65.8	22	147.5	64.2
Dec 2	150.4	63.5	30	127.9	53.1	29	118.7	52.0
9	153.4	65.7	Dec 7	165.0	68.8	Dec 6	149.1	67.7
16	130.7	56.5	14	169.0	70.8	13	137.5	65.6
23	130.7	60.8	21	150.3	62.8	20	135.8	61.0
30	107.2	49.4	28	100.7	43.0	27	95.1	42.9

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, the Food Safety and Inspection Service and the National Agricultural Statistics Service, all of USDA.

JANUARY MILK PRODUCTION

Milk production in the 20 major states during January totaled 11.4 billion pounds, 2.0 percent above production in these same states in January 1997. December revised production, at 11.1 billion pounds, was 0.7 percent above December 1996.

Production per cow in the 20 major states averaged 1,473 pounds for January, 40 pounds above January 1997.

The number of cows on farms in the 20 major states was 7.73 million head, down 58,000 head from January 1997 and down 3,000 from December 1997.

JANUARY 1998 MILK COWS AND MILK PRODUCTION, BY STATES

STATE	MILK COWS 1/		MILK PER COW 2/		MILK PRODUCTION 2/		
	1997	1998	1997	1998	1997	1998	% CHANGE FROM 1997
	THOUSANDS		POUNDS		MILLION POUNDS		PERCENT
AZ	122	130	1,970	1,800	240	234	-2.5
CA	1,302	1,354	1,675	1,770	2,181	2,397	9.9
FL	159	160	1,520	1,350	242	216	-10.7
ID	268	282	1,500	1,620	402	457	13.7
IL	149	144	1,290	1,370	192	197	2.6
IN	140	140	1,320	1,330	185	186	0.5
IA	248	239	1,320	1,420	327	340	4.0
KY	150	138	1,055	1,060	158	146	-7.6
MI	311	298	1,480	1,550	460	462	0.4
MN	595	570	1,345	1,375	800	784	-2.0
MO	175	160	1,180	1,180	207	189	-8.7
NM	197	208	1,675	1,665	330	346	4.8
NY	700	700	1,370	1,330	959	931	-2.9
OH	285	272	1,335	1,350	380	367	-3.4
PA	641	638	1,385	1,470	888	938	5.6
TX	390	379	1,390	1,320	542	500	-7.7
VT	156	158	1,380	1,415	215	224	4.2
VA	125	120	1,270	1,360	159	163	2.5
WA	266	261	1,650	1,665	439	435	-0.9
WI	1,408	1,378	1,315	1,360	1,852	1,874	1.2
20 STATE TOTAL	7,787	7,729	1,433	1,473	11,158	11,386	2.0

1/ Includes dry cows. Excludes heifers not yet fresh.

2/ Excludes milk sucked by calves.

SOURCE: "Milk Production," Da 1-1 (2-98), Agricultural Statistics Board, National Agricultural Statistics Service, U.S. Department of Agriculture.

DECEMBER MILK SALES HIGHLIGHTS

During December, sales of fluid milk products in comparable Federal milk order marketing areas and California were 1.2 percent above the previous year and 1.1 percent below November 1997 on an adjusted daily average basis. Sales of whole milk items were 0.5 percent below the previous year; sales of lowfat and skim milk items were 2.4 percent above the previous year. Total fluid milk sales were lower in the Southwest and higher in all other regions.

**SUMMARY OF PACKAGED SALES OF WHOLE MILK ITEMS, LOWFAT AND SKIM MILK ITEMS, AND TOTAL FLUID MILK ITEMS IN FEDERAL MILK ORDER
MARKETING AREAS AND CALIFORNIA, GROUPED BY REGION, DECEMBER 1997, WITH COMPARISONS 1/**

Region 4/	Whole Milk Items 2/				Lowfat and Skim Milk Items 3/				Total Fluid Items			
	Sales		Change from:		Sales		Change from:		Sales		Change from:	
	Dec	Year to date	Prev. year 5/	Year to date 5/	Dec	Year to date	Prev. year 5/	Year to date 5/	Dec	Year to date	Prev. year 5/	Year to date 5/
	Mil. lbs.		Percent		Mil. lbs.		Percent		Mil. lbs.		Percent	
Northeast	367	4,194	-1.9	-2.1	478	5,407	4.2	0.2	845	9,602	1.4	-0.8
Southeastern	347	4,037	0.5	0.6	451	5,249	4.8	1.1	798	9,286	2.8	0.9
Midwest	277	3,118	1.2	-0.5	964	11,209	1.7	0.2	1,241	14,326	1.5	0
Southwest	167	2,006	-2.7	-1.7	198	2,446	0	0.3	365	4,452	-1.3	-0.7
Far West	343	4,021	-0.4	-1.1	688	8,161	1.3	1.4	1,030	12,182	0.6	0.6
All Areas Combined	1,501	17,376	-0.5	-0.9	2,778	32,472	2.4	0.6	4,279	49,848	1.2	0.1

1/ These figures are representative of the consumption of fluid milk products in comparable Federal milk order marketing areas and California, and represents approximately 90 percent of total fluid milk sales in the U.S. 2/ Whole milk items include plain, flavored, and miscellaneous whole milk products. 3/ Lowfat and skim milk items include plain, solids added, flavored, and miscellaneous lowfat and skim milk products, and buttermilk. 4/ For the marketing areas included in each region, see DMN Vol. 64, report #13. Southeastern excludes Tennessee Valley. Far West includes California. 5/ Monthly and year-to-date percent changes are based on sales figures adjusted for calendar composition. See DMN Vol. 59, report #13.

**PACKAGED SALES OF FLUID MILK PRODUCTS IN ALL MARKETING AREAS DEFINED BY FEDERAL MILK
ORDERS AND CALIFORNIA, NOVEMBER 1997, WITH COMPARISONS 1/**

Product Name	Sales	Change from:	
		Previous Year	Year to Date
	Mil.lbs	Percent	
Whole milk 2/	1,414	0.1	-0.9
2% Lowfat Milk	1,304	-2.2	-2.2
1% Lowfat Milk 3/	625	1.9	3.1
Skim Milk	689	4.3	3.9
Buttermilk	51	2.9	-2.0
Total Fluid Milk Products 4/	4,089	0.4	0

1/ These sales volumes and percent changes include preliminary data for the New York-New Jersey milk order marketing area and the California State milk order. However, data for the Black Hills market, which was terminated October 1, 1996, and data for the Tennessee Valley market, which was terminated October 1, 1997, are excluded. Monthly and year-to-date percent changes are based on sales figures adjusted for calendar composition. 2/ Includes flavored whole milk. 3/ Includes flavored lowfat and skim milk. 4/ Includes miscellaneous products.

SOURCE: Monthly summaries of *Federal Milk Order Market Statistics*, AMS, USDA, and *California Dairy Information Bulletin*, California Agricultural Statistics Service and Milk Stabilization Branch.

FEDERAL MILK ORDER PRICE AND POOL HIGHLIGHTS

FEDERAL MILK ORDER MARKET SUMMARY FOR JANUARY 1998. During January, about 9.3 billion pounds of milk were marketed under Federal orders. (Since significant volumes of milk that normally would have been pooled under Federal milk orders were not pooled in January 1998 and 1997, the following comparisons involving producer deliveries have been estimated.) For comparable markets, producer deliveries were about 1.7 percent less than January 1997, and about 2.7 percent more than December 1997 on a daily average basis. Milk utilized in Class I products in January was 3.4 percent less than last year on an adjusted basis. Class I use this year represented 39 percent of producer milk deliveries compared to 40 percent in January 1997. The average blend price was \$14.15 per cwt., \$1.28 more than last year. Changes in class prices from year-earlier levels were as follows: Class I, up \$1.35; Class II, up \$1.35; Class III, up \$1.31; and Class III-A, up \$0.55.

PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE MONTH OF JANUARY 1998										
FEDERAL MILK ORDER MARKETING AREAS <u>1/</u>	ORDER NO.	RECEIPTS AND UTILIZATION						PRICE AND BUTTERFAT DIFF.		
		RECEIPTS FROM PRODUCERS		RECEIPTS USED IN CLASS I		PERCENT USED IN CLASS I		BLEND PRICE <u>2/</u>		BUTTER-FAT DIFF. <u>3/</u>
		1998 TOTAL	CHANGE FROM 1997	1998 TOTAL	CHANGE FROM 1997	1998	1997	1998	1997	1998
		MIL. LB	PERCENT	MIL. LB	PERCENT	PERCENT		DOLLARS		CENTS
New England (Boston)	1	482.2	9.8	235.6	7.5	49	50	14.74	13.68	11.4
New York/New Jersey (NY City)	2	1,012.0	5.4	417.3	3.8	41	42	14.67	13.37	11.4
Middle Atlantic (Philadelphia-Baltimore/Washington, D.C.)	4	531.5	-5.9	231.1	-14.2	43	48	14.27	13.22	---
NORTHEAST REGION		2,025.7	3.1	884.0	-0.8	44	45	14.58	13.40	11.4
Carolina (Charlotte)	5	250.7	4.9	206.1	1.9	82	85	15.56	14.30	11.4
Southeast (Atlanta/Birmingham)	7	551.9	15.6	425.4	14.7	77	78	15.46	14.08	11.4
Florida Markets (Tampa /Jacksonville/ Tallahassee/Miami)	12 4/	271.8	-2.1	235.1	1.4	86	84	16.26	14.90	11.4
SOUTHEASTERN REGION	<u>5/</u>	271.8	-2.1	235.1	1.4	86	84	16.26	14.90	11.4
Michigan Upper Peninsula (Marquette)	44	5.9	0.6	4.4	-2.3	76	78	14.04	12.72	11.4
Southern Michigan (Detroit)	40*	355.4	-4.6	175.5	-3.8	49	49	13.87	12.59	---
E. Ohio/W. PA (Cleveland/Pittsburgh)	36	290.7	3.2	150.5	-4.2	52	56	14.14	12.87	---
Ohio Valley (Columbus)	33	265.4	2.4	144.8	-6.5	55	60	14.22	12.99	---
Indiana (Indianapolis)	49	168.5	-4.1	103.7	0.2	62	59	14.33	13.00	---
Chicago Regional	30*	1,100.0	-19.7	225.0	5.7	20	16	13.62	12.31	---
Central Illinois (Peoria)	50	15.9	7.6	12.7	-3.7	80	89	14.39	13.12	11.4
S. Illinois-E. Missouri (Alton)	32	157.8	-3.3	90.9	-3.2	58	58	14.31	12.95	11.4
Louisville-Lexington-Evansville	46	122.4	30.2	94.5	26.5	77	79	14.65	13.36	11.4
Upper Midwest (Minneapolis)	68*	927.6	1.1	141.8	-2.5	15	16	13.41	12.11	---
Iowa (Des Moines)	79*	331.0	18.5	89.1	1.8	27	31	13.64	12.38	---
Nebraska/W. Iowa (Omaha/Sioux City)	65*	145.4	-0.8	52.8	-4.8	36	38	13.54	12.43	---
Greater Kansas City/E. S. Dakota	64 6/ 7/	46.1	1.5	---	---	---	---	14.76	13.64	11.4
MIDWEST REGION	<u>5/</u>	3,432.6	-7.4	1,102.1	-1.9	32	30	13.75	12.46	11.4

PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE MONTH OF JANUARY 1998										
FEDERAL MILK ORDER MARKETING AREAS <u>1/</u>	ORDER NO.	RECEIPTS AND UTILIZATION						PRICE AND BUTTERFAT DIFF.		
		RECEIPTS FROM PRODUCERS		RECEIPTS USED IN CLASS I		PERCENT USED IN CLASS I		BLEND PRICE <u>2/</u>		BUTTER-FAT DIFF. <u>3/</u>
		1998 TOTAL	CHANGE FROM 1997	1998 TOTAL	CHANGE FROM 1997	1998	1997	1998	1997	1998
		MIL. LB	PERCENT	MIL. LB	PERCENT	PERCENT		DOLLARS		CENTS
Southwest Plains (Oklahoma City)	106	266.2	-5.1	133.2	-0.6	50	47	14.68	13.30	11.4
Texas (Dallas)	126	491.0	-11.1	281.9	-5.7	57	54	14.97	13.50	11.4
SOUTHWEST REGION		757.1	-9.1	414.1	-4.1	55	52	14.87	13.43	11.4
E. Colorado/W. Colorado (Denver)	137 <u>6/</u>	153.1	-2.7	70.7	-3.8	46	47	14.43	13.10	11.4
SW. Idaho/E. Oregon (Boise)	135	111.7	-50.6	15.7	-1.0	14	7	13.43	12.03	---
Great Basin (Salt Lake City)	139	197.3	-3.7	75.8	-2.1	38	38	13.97	12.64	---
Central Arizona (Phoenix)	131	226.6	8.1	88.7	-4.7	39	44	13.90	12.78	11.4
New Mexico-West Texas (Albuquerque)	138	210.6	-5.4	55.8	-5.7	27	27	13.68	12.55	11.4
Pacific Northwest (Seattle/Portland)	124	540.8	-0.7	183.8	-3.0	34	35	13.53	12.30	---
FAR WEST REGION		1,440.1	-8.0	490.6	-3.5	34	32	13.76	12.49	11.4
COMP MKT. AVERAGE OR TOTAL	<u>5/</u>	7,989.8*	-2.2*	3,132.4	-3.0	39	40	14.15	12.87	11.4
ALL-MKT. AVERAGE OR TOTAL	<u>7/ 8/ 9/</u>	9,291.9*	-1.5*	3,947.5	-2.9	42	43	14.26	13.98	11.4
YEAR-TO-DATE AVG./TOTAL										
Northeast Region		2,037.7	3.2	883.8	-1.8	43	46			
Southeastern Region	<u>5/</u>	271.8	2.1	235.1	1.4	86	84			
Midwest Region	<u>5/</u>	3,483.1*	-1.0*	1,108.8	-4.1	32	33			
Southwest Region		757.1	-9.1	414.1	-4.1	55	52			
Far West Region		1,440.1	-8.0	490.6	-3.5	34	32			
COMP MARKET AVERAGE OF TOTAL	<u>5/</u>	7,989.8*	-2.2*	3,132.4	-3.0	39	40	14.15	12.87	----
ALL MARKET AVERAGE OR TOTAL	<u>7/ 8/ 9/</u>	9,291.9*	-1.5*	3,947.5	-2.9	42	43	14.26	12.98	----

* Because of certain pricing situations in these markets, handlers elected not to pool an estimated 300 million and 260 million pounds of milk in January 1998 and 1997, respectively, that normally would have been pooled under these orders. If these volumes had been pooled, the following percent changes in producer deliveries would have resulted: for January, Midwest region 0, comparable market average -1.7, and all-market average -1.0. 1/ Names in parentheses are principal cities and pricing points of markets. 2/ Prices are for 100 pounds of milk with a butterfat content of 3.5%. 3/ Amount by which the blend price is adjusted for each .1% that the butterfat content of a producer's milk varies from 3.5%. For example, if the butterfat content of the milk that a producer delivers to a regulated handler located in Boston (New England's market) is 4.0%, then the producer's blend price would be \$15.31. (4.0 minus 3.5 equals .5; 5 times \$.114 equals \$.570; \$14.74 plus \$.570 equals \$15.310.) 4/ Pool data are either a summation or weighted average of the Tampa Bay, Upper Florida, and Southeastern Florida marketing areas. The blend prices are for the Tampa Bay market. Blend prices for other markets are: Upper Florida: 1998, \$16.33; 1997, \$14.96; and Southeastern Florida: 1998, \$16.81; and 1997, \$15.35. 5/ Figures are based on the same group of comparable markets--markets where orders were in effect the entire period 1997-98 and for which the data were not affected significantly by marketing area changes. Data for Iowa and Greater Kansas City/Eastern South Dakota are no longer comparable; see 7/ and 9/. Due to the termination of the Tennessee Valley order on October 1, 1997, the data for Carolina, Southeast, and Louisville-Lexington-Evansville are no longer comparable and were excluded, where applicable. Most of the milk that would have been pooled under the terminated order was pooled under these three orders. 6/ Figures represent a combination of data for the indicated markets except for the producer blend prices which are for the first market listed. Blend prices for other markets are: Eastern South Dakota: 1998, \$13.75; 1997, \$12.46; and Western Colorado: 1998, \$14.64; 1997, \$13.41. 7/ Class I receipt and utilization data for the Greater Kansas City/Eastern South Dakota area are restricted, and are excluded from all-market figures. 8/ The data for January-September 1997 includes the Tennessee Valley marketing area; see 5/. 9/ Class I receipt and utilization data for the Iowa marketing area were restricted August-October 1997.

	FOR THE WEEK OF OF FEBRUARY 16 - 20, 1998				CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL	CONTRACT	ADJUSTED	SINCE	SAME PERIOD	PERIOD ENDING	SAME PERIOD	
	PURCHASES	ADJUSTMENTS	PURCHASES	10/01/97	LAST YEAR	02/13/98	LAST YEAR	
BUTTER								
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-	
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-	
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-	-0-	
CHEESE								
Block	-0-	-0-	-0-	-0-	-0-	-0-	-0-	
Barrel	-0-	-0-	-0-	-0-	-0-	-0-	-0-	
Process	-0-	-0-	-0-	-0-	334,800	-0-	-0-	
TOTAL	-0-	-0-	-0-	-0-	334,800	-0-	-0-	
NONFAT DRY MILK								
Nonfortified	2,186,930	88,181	2,098,749	30,564,263	-0-	-0-	-0-	
Fortified	-0-	-0-	-0-	-0-	-0-	-0-	-0-	
TOTAL	2,186,930	88,181	2,098,749	30,564,263	-0-	-0-	-0-	

	MILKFAT*	SKIM**		MILKFAT*	SKIM**
	<u>BASIS</u>	<u>SOLIDS</u>		<u>BASIS</u>	<u>SOLIDS</u>
WEEK OF FEBRUARY 16 - 20, 1998 =	0.5	24.4	COMPARABLE WEEK IN 1997 =	0.3	0.4
CUMULATIVE SINCE OCTOBER 1, 1997 =	6.7	355.8	CUMULATIVE SAME PERIOD LAST YEAR =	3.1	3.3
CUMULATIVE JANUARY 1 - FEBRUARY 20, 1998 =	5.0	266.4	COMPARABLE CALENDAR YEAR 1997 =	3.1	3.3

**Factors used for Skim Solids Basis: Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT	
REGION	1997/98	1996/97	1997/98	1996/97	1997/98	1996/97	1997/98	1996/97
MIDWEST	-0-	-0-	-0-	334,800	-0-	-0-	0.0	100.0
WEST	-0-	-0-	-0-	-0-	30,454,088	-0-	99.6	0.0
EAST	-0-	-0-	-0-	-0-	110,175	-0-	0.4	0.0
TOTAL	-0-	-0-	-0-	334,800	30,564,263	-0-	100.0	100.0

DOLLARS PER POUND

NONFAT DRY MILK: Nonfortified \$1.0280; Fortified \$1.0380; Instant \$1.1855

U.S. TOTAL													U.S. TOTAL		% DAIRY OF ALL	
Regions*	1	2	3**	4**	5	6	7	8	9	10	WEEK	SINCE JAN 1	WEEK	SINCE JAN 1		
1998-Dairy cows HD (000)	0.3	1.7	---	13.2	23.3	3.5	3.3	0.6	12.3	3.2	61.5	302.7	48.8	48.1		
1997-Dairy cows HD (000)	0.4	1.4	---	13.9	24.3	2.8	3.7	1.3	11.5	3.3	62.4	319.3	46.8	45.2		
1998-All cows HD (000)	0.3	1.8	---	25.8	34.0	18.1	19.6	5.2	14.1	7.1	126.0	629.3				
1997-All cows HD (000)	0.4	1.4	---	27.5	34.2	18.1	21.6	10.4	12.8	6.9	133.3	706.4	**REGION 3 & 4 COMBINED**			

SOURCE: The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

1/ States included in regions are as follows: Region 1--ME, NH, VT, CT, MA, and RI; Region 2--NY and NJ; Region 3--DE, PA, WV, VA, and MD; Region 4--KY, TN, NC, SC, GA, AL, MS, and FL; Region 5--MI, OH, IN, IL, WI, and MN; Region 6--TX, OK, NM, AR, and LA; Region 7--IA, NB, KS, and MO; Region 8--MT, WY, CO, UT, ND, and SD; Region 9--CA, NV, AZ, and HI; Region 10--ID, OR, and WA. 2/ Totals may not add due to rounding.

<u>PROCESS</u>	<u>APRIL DELIVERY</u>	
2# PROCESS LOAF	712,800	
5# PROCESS LOAF	633,600	OFFERS ARE DUE FEB. 23. PUBLIC RELEASE WILL BE 4:00 PM CST FEB. 26.
PROCESS SLICED	1,029,600	
<u>MOZZARELLA</u>		
MOZZARELLA	483,840	
SHREDDED LITE MOZZ	241,920	
<u>CHEDDAR</u>		
BLOCKS	119,850	
CHEDDAR CUTS	79,900	
REDUCED FAT BLOCKS	268,800	

[illegible]